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ABSTRACT

Designed to introduce the world of retailing to junior high school students, the course encompasses three different activities: consumer knowledge, selling, and establishing a school store. Many of the ideas have been used with students in grades 7 and 8. The section on consumer education includes consumer influence and problems, consumer law, and consumer protection. The retail store and selling section presents material on government regulations, record systems, business planning, and merchandising. Each unit includes learner objectives and suggested content and activities. References, worksheets, and forms for use in a retail business are appended. (Author/MF)

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THE WORLD OF RETAILING

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THE WORLD OF RETAILING

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Dr. Joseph F. Kelly

Project Director
New Jersey Curriculum Management Center

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INTRODUCTION

The following course of study is designed to introduce the world of retailing to stuuents. It encompasses three different areas: consumer knowledge, selling, and establishing a school store. In writing the course outline, the author was aided greatly be students in the Roebling seventh and eighth grades. Many of the ideas have been tried with them.

The course involves all areas of the curriculum in a junior high school. It can be used in any subject matter area where the students are career conscious and wish to get first-hand experience with our free enterprise system.

PART A

CONSUMER EDUCATION

SECTION I GENERAL PLANS FOR THE PROGRAM

There is a great need for our students to get "hands on" experience in the business world. Many students are totally unaware of the careers that are available to them in the field of retail selling. When someone mentions retailing, most people assume that mention is made of selling only. Actually, many other careers are available as part of retailing. The intention of this course outline is to present to the student many of the careers that are available.

The course has been divided into three sections: first, the consumer, who he is, his rights and protections, and the laws protecting him; second, retailing, what it is, who is involved, and how to sell; third, the actual setting up and operating a small school store. The three sections are coordinated to be used with various subject matter curricula. Objectives are presented for Mathematics, English, Social Studies, Art, and Reading.

Junior High School students need an awareness of the interrelationship between success in school and success in a career. Many of our students cannot see the relevance of the material being presented in each curriculum. The underlying objective of this course is the development of the total student.

Through the course the student is brought into contact with the community around him. Many of the activities and assignments have the student dealing with people outside the school. It should be noted here that the teacher should contact local businessmen, merchants, and officials to enlist their cooperation to ensure the success of the program. It is suggested that students visit local businesses and actually take part in some aspects of retailing within the community.

In the preparation of this course, many valuable references and curriculum materials were found. They are listed separately at the end of the guide. Many or all of them may be used to strengthen and expand this course outline.

It should be emphasized here that not all students will want to go into retailing as a career, but all should be aware of the sales world. This exposure will help students become better consumers and become more aware of the practices of sales people.

What is retail selling? This first question, raised by students who see a salesperson as someone ringing a cash register, should be answered at the beginning of the program by the teacher. Time should be taken at the start of the program to develop student awareness of the various types of retailing: door-to-door sales, inside selling, customer-contact selling (insurance), and internal personal selling (over the counter).

Materials within this guide should be duplicated and used with the students. Have the students "role play" each of the parts within the guide, allowing them first-hand experience at selling. When the students

finish the course, allow them to establish, operate, and control their own school store. It will amaze them!

The following methods and activities will be used throughout the guide:

1. Agreements of sale
2. Bulletin boards
3. Contracts
4. Creating displays
5. Discussions
6. Displays of materials
7. Displays panels
8. Films
9. Filmstrips
10. Interviews
11. Inventory sheets
12. Letter writing
13. Model building
14. Personal data sheets
15. Problem solving sheets
16. Reading assignments
17. Role playing
18. Sales appraisal sheets
19. Sales record sheets
20. Text material
21. Visitations
22. Warranties

Part C, Section II contains a list of materials, resources, films, filmstrips, and texts that can be used in the course. The publisher's name and address is included with each resource.

A. General Objectives of the Course

To develop the student's knowledge of retailing and selling.

To develop the student's knowledge of the consumer and the influences on the consumer.

To develop the student's ability to test the skills he is learning in other curricula.

To develop the student's awareness of the retailing world and its influence on his life.

To develop the student's knowledge of the various fields in retailing.

B. Individual Objectives

To develop the student's ability to solve problems using both background knowledge and specific skills.

To develop the student's ability to present ideas and materials to other people.

To develop the student's ability to evaluate written materials and draw conclusions as to their validity.

To develop the student's ability to read materials carefully and to translate them into meaningful statements of his own.

To develop the student's knowledge of legal language used in contracts and warranties.

To develop the student's ability to correspond with companies and agencies in a proper business form.

To develop the student's ability to keep records and inventories.

To develop the student's ability to operate his own business.

To develop good salesmanship techniques.

To develop the knowledge of a sound sales approach.

C. Academic and Vocational Objectives

To develop the student's awareness of the need to succeed academically.

To develop a student'sskills in subject content areas.

To strengthen content area skills.

To broaden the student's knowledge of career skills.

To develop a student's occupational background.

D. Long Range Objectives

To develop knowledge of consumerism.

To present various careers available in retailing.

To develop thoroughness and competency in retailing and related fields.

To promote an awareness of our economy and the free enterprise system.

To develop the knowledge necessary for possible ownership of a retail business.

E. Social Objectives

To become valuable members of the community.

To recognize the rights of others.

To evaluate each other's performance.

To work together to achieve a common goal.

SECTION II

UNIT A CONSUMER INFLUENCE

Learner Objectives

To develop a list of the influences a consumer can exert on a business establishment.

To develop a student's knowledge of influence he has as a consumer.

To develop the use of this influence.

To develop the responsibilities that accompany consumer influence.

Suggested Content and Activities

1. The students will make a chart of items that they have purchased, why they purchased the items and the influences that made them purchase the specific brand.
2. The teacher will discuss the influences that brought about the purchase. Advertising, "word-of-mouth," peer group pressure, and the need to be part of a group are among the types of influence that will be discussed.
3. The following types of influences are presented to further develop student knowledge of factors that compel a person to buy certain products:

1. Necessity	3. Comfort
2. Safety	4. Status

5. Recreation
6. Financial gain
7. Educational benefit

The teacher can use the above list to have the students consider various items purchased by a family. Why did they buy the item? What influenced their decision? Divide the items purchased by the typical family in the community into the various influence groups.

4. The teacher can then have the students devise their own list of influences that would compel a person to purchase. Such influences could be as follows:

1. Durability
2. Dependability
3. Service
4. Previous purchase of a similar brand or product
5. Cost

5. Have students bring in items that they have purchased. Discuss their reasons for purchasing the item and determine whether their reasons for purchasing the item were valid. Have the students use the following criteria:

a. Is the item durable?
b. Does it fill a need?
c. Was the price an influence?
d. Is the purchaser happy with the item?

6. The teacher can bring in local advertisements. Have the students discuss the advertisements to determine how the merchant or manufacturer is trying to influence a consumer.

a. What needs are dealt with in the ad?
b. What promises are made?
c. What kind of guarantee is given?

d. What price is quoted in the ad?

e. Are there any hidden costs in the ad?

7. Visit a local store. How does the merchant present the merchandise to create a need in the consumer? What items in the store created a need for each student? The teacher should have each student choose an item that he or she might purchase. What was his or her reason for wanting to purchase that particular item?

8. Have the students make a list of the way a consumer can help himself make wise purchases, and avoid impulse buying. The following is a partial list of self-helps:

1. Knowledge of the product
2. Comparison shopping
3. Consumer product reports
4. Common sense

Discuss each of the above with the students and develop their knowledge of various publications available with product information and comparative price information. These should include:

1. Consumer Report
2. Consumer Bulletins

Materials for Unit

1. Bulletin board
2. Issues of Consumer Report
3. Consumer Bulletin
4. Newspaper and magazine advertisements

5. Tapes of radio and TV commercials

6. Consumer product pamphlets

UNIT B CONSUMER PROBLEMS

Learner Objectives

To understand the problems facing the consumer.

To develop a knowledge of the factors that change a consumer's position in the market place.

To develop the student's ability to see changes in the economy.

To develop the student's knowledge of influences that change purchasing power.

To develop the student's knowledge of means of overcoming problems of the consumer.

Suggested Content and Activities

1. The student will tape interviews with local businessmen to determine major factors in their own communities that affect consumerism. Have the students prepare questionnaires for each interview.
2. The students will prepare a questionnaire to be distributed to members of the community. The following areas of concern will be examined in the questionnaire:

1. Increasing wants

2. Leisure time

3. Inflationary trends

4. Taxes

5. Variety of goods

6. Variationof prices

7. Selling techniques and pressures

(There are sample questionnaires at the end of this section.) Have the students distribute the questionnaires in their own neighborhood. Compile the data from the questionnaires and make graphs showing the responses to the questionnaires.

3. With a discussion group approach bring out the various types of sales outlets that are available. Have the students visit the various types of sales facilities and list the advantages and disadvantages of each type of sales facility:

1. Independent retailer

2. Chain store

3. Speciality shop

4. Department store

5. Shopping mall

6. Variety store

7. Discount house

8. Door-to-door salesman

9. Vending machine

Combine the information gathered in part two of this unit with the advantages and disadvantages involved in each type of sales facility above.

4. Have the students plan the "ideal" sales facility. What type of sales facility would best serve their community? What should be included in this sales facility?

5. Have groups in the class design and build out of poster board the ideal sales facility for their community. The project should include all areas of a sales facility. If they are building a department store, include all departments. Have them determine what departments should be located next to each other to serve the consumer best. If they are constructing a mall, what shops should be included, and where should they ideally be placed?

6. Have the students make a chart of selling techniques both good and bad. With the listed techniques begin drawing from the students, by discussion, how selling techniques may help the consumer. Mark a chart then containing the good sales techniques that have been presented by the students. They should consider these as major goals in selling.

7. The teacher will show films of local sales facilities found in the reference section of this course guide.

Materials

1. Graph paper
2. Poster board
3. Films
4. Bulletin board displays
5. Heavy cardboard for models

UNIT I — ADVERTISING

Learner Objectives

To develop an understanding of the need for good advertising.

To develop the student's ability to read an advertisement and know what is being said.

To develop the student's knowledge of the advantages and disadvantages of advertising.

To develop the student's knowledge of propaganda techniques used in advertising.

Suggested Content and Activities

1. The teacher will have the students bring in advertisements from the newspaper and magazines. Begin with a discussion of the parts of an advertisement. What is included in a successful advertisement? Why aren't some advertisements appealing? How does the advertiser gear his ad to the audience that is reading the ad? Select on the basis of proper format ads to be displayed in the classroom. Save others for use later when talking about propaganda.
2. Have students take their favorite product and create an ad for a newspaper or magazine. Have the art teacher check the ads for color and balance of design. Display students' advertisements.
3. Have the students watch a selected game or quiz show on television. What are the advantages of advertising? How can advertising be a disadvantage? What benefits are derived from the ads or commercials?

Vocabulary

1. Advantages
2. Commercial
3. Persuasion
4. Deception
5. Stimulation

4. Have the students again refer to their ad and the ads from newspapers and magazines. What types of appeals and techniques are used to influence the consumer? The following is a list of some of the major appeals and techniques:

1. Repetition
2. Conformity
3. Imitation
4. Association
5. Good will
6. Scare technique
7. Emotional appeal
8. Snob appeal
9. Intellectual appeal
10. Economic appeal
11. Comfort appeal

Have the students determine into what specific category each of their ads fits. Then have them take some newspaper and magazine ads and categorize them according to their appeal or technique.

5. Havethe students take a newspaper ad and reword the ad so that it presents another appeal. Make sure that the copy is different, but that it still presents the major product points that were included in the original copy.

6. Propaganda used in advertising is very important to the student. The following broad classifications of propaganda will present the students with a good basic foundation for understanding propaganda:

1. Name calling--choice of label.
2. Glittering generalities.
3. Transfer--non-verbal attempt to associate.
4. Plain Folks--attempt by a person to appeal to a particular section of the population.
5. Testimonial--verbal endorsement by a person.
6. Card stacking--present only one group of facts and only one viewpoint.
7. Band Wagon--"Everyone else is."

7. Present the above types of propaganda. The best types of advertisements for this group are political ads, soft drink ads and car ads. Have students discuss each add--What type of propaganda is being used? What is being said in each ad? What is the advertiser not telling you in each of the ads?
8. Divide the class into seven groups. Have each group design and write an ad using one type of propaganda for a safety factor around the school.

UNIT D "CAVEAT EMPTOR" (BUYER BEWARE)

Learner Objectives

To develop the ability to read an advertisement and interpret the wording of the ad.

To develop the student's ability to identify a misleading advertisement.

To develop the student's ability to rewrite an advertisement so as to eliminate misleading statements.

To develop the student's knowledge of why the consumer should be cautious when making a purchase.

To develop the student's ability to become a good consumer.

Suggested Content and Activities

1. Have the students collect car advertisements. Circle a statement in the ad that would be misleading. What qualifying statements are used that could make an ad misleading? What fine print will mislead a consumer or will qualify a statement?
2. The teacher will collect brochures from car dealers. Have the students read the brochures and find statements that are misleading or ambiguous. How could the brochures be rewritten to remove misleading and ambiguous statements?
3. The teacher will have the students write advertisements for a product that they have purchased. Have the students present the positive qualities of the product. Remember from previous units how to use propaganda to influence the consumer.
4. Have the students present their ads to the class. Have them defend all claims that they have made. Are there any statements that cannot be supported with reference to the product? Are there any statements that are ambiguous or misleading?
5. Following writing of the ads have the students sell their product to another member of the class. Each student will "sell" the product they advertise.

Questionnaire

1. Name _____

2. Occupation _____

3. Number of people in your family _____

4. In what type of store do you prefer to shop?

   a. Department store b. Speciality shop c. Discount store

5. When you shop, do you comparison shop for price?

   a. yes b. no c. sometimes

6. When you buy a major appliance, what is most important to you?

   a. Price b. Service c. Guarantee

7. Do you tend to buy only name brands?

   a. yes b. no c. sometimes

8. Before you purchase a major item do you read:

   a. Newspaper advertisements?

   b. Consumer reports?

   c. Product pamphlets?

9. When you become a regular customer of a store, do you look for:

   a. Courteous salespeople?

   b. Prompt sales attention?

   c. Good service?

10. When you are shopping do you want the salesperson to:

   a. Assist you in making your purchase?

   b. Recommend various products?

   c. Leave you alone to make your decision?

11. How often do you go shopping for items other than food? _____

_____

12. Have your shopping habits changed over the past ten years?

a. yes b. no

13. If the answer to number 12 is yes, do you feel you have:

a. More leisure time to shop?

b. Greater convenience because of shopping centers?

c. Greater choice of products to choose?

14. What type of store would you like to see built in this area?

a. Department store

b. Shopping mall of speciality shops

c. Discount store

SECTION III LAW FOR THE CONSUMER

UNIT A LAW FOR THE CONSUMER

Learner Objectives

To develop the student's ability to use and understand basic legal terms.

To develop the student's knowledge of the wording used in contracts, insurance policies, and warranties.

To develop the student's ability to interpret contract language.

To develop the student's ability to read an insurance policy and discuss the protections offered by the insurance policy.

Suggested Content and Activities

1. Make copies of the list of legal terms at the end of this unit. Present the terms to the class and discuss the meaning of the terms and their implications for the consumer. How are the consumers protected and how are they involved in contract language?

2. The teacher will discuss with the students the requirements for a legal contract. What constitutes a contract? What is a binding contract? When is a contract binding? Who may make a binding contract? Why are contracts necessary? The teacher will also bring into the discussion guidelines to follow when signing a contract. (See the lists entitled, "Parts of a Legal Contract" and "Guidelines for Signing a Contract.")

3. The teacher may wish to obtain copies of a contract, or can use the contract at the end of this unit. This new car contract may be used as a sample of the language used in a contract. Have the students read the contract and discuss the following items:

    1. What parts of the contract protect the consumer?
    2. What parts of the contract protect the dealer?
    3. What words in the contract are deceptive?
    4. Are any parts of the contract misleading?

4. With each of the concepts expressed in the legal terms, have the students "draw up" contracts with each other and within the class to do or perform certain tasks. When a contract is violated, have the students determine the violation and the appropriate action as described within the list of terms.

5. Assume role-playing situations again. This time have the students draw up their own charges and, using proper legal terms, have mock trials. All trials are to be conducted as in a real court situation.

6. Have the students read a home owner's insurance policy. From the list of terms have the students determine whether or not each of the following situations would be covered:

   1. An electrical fire
   2. Damage from a hurricane
   3. Damage from a flood
   4. A car hitting the house
   5. The mailman being bitten by a dog
   6. Breaking and entering resulting in theft
   7. Damage caused by lightening
   8. Smoke damage from a fire in a neighbor's house

Law for the Consumer

(From Leon Levy, Robert Feldman, and Simpson Sasserath, The Consumer In the Marketplace. New York: Pitman Publishing Corp., 1970, p. 121.)

Legal terms basic to selling:

1. Acceptance--a statement or other act by the buyer indicating his consent to become owner of certain goods according to the terms of an agreement.
2. Act of God--any occurrence such as thunderstorm or flood that takes place without the intervention or aid of man.
3. Affadavit--a written statement sworn to before some person authorized to take an oath, such as a Notary Public.

4. Attachment--a lawful seizure of property pending the outcome of a lawsuit. If you purchased an automobile and are required to pay installments, the car might be "attached" if you fail to make payments.

5. Bailment--a contract by which one person transfers possession of his personal property to another person, such property to be held for a certain purpose and to be returned when that purpose is accomplished. Storing your furniture in a warehouse is an example of a bailment contract.

6. Chattel Mortgage--a mortgage on personal property. If you borrow money from a finance company, and you sign a statement giving the borrower the right to sell your car if you do not repay the debt, the statement you signed is a chattel mortgage.

7. Contract--the name given to a promise or agreement that creates legal obligations that are enforced by the law.

8. Defendant--a person who is sued in a civil action or the person charged with a crime in a criminal case.

9. Foreclosure--a legal proceeding that enables someone to take mortgaged property to pay a mortgage debt.

10. Fraud--an intentional deception by one party that causes loss to another party.

11. Garnishment--a legal process that requires a person owing money to a defendant to turn this money over to a court or to a person appointed by the court instead of the defendant.

12. Lease--a contract giving a person the use of real property for a definite period in return for the payment of rent.

13. Lien--a legal right to retain possession of personal property put up as security for a debt until such time as the debt is paid.
14. Mortgage--a lien upon property given as security for a loan.
15. Plaintiff--a person who brings an action against another person (defendant) in a court of law.
16. Referee--a person appointed by the court to hear and decide upon a disputed matter.
17. Summons--a notice requiring a person to answer a complaint within a specified time. Failure to answer a summons can result in a judgment against you.
18. Title--evidence of one's ownership of goods. Title is used interchangeably with ownership.
19. Usury--charging of an interest rate that is higher than the rate permitted by law.

"Parts of a Legal Contract"

1. Mutual Assent--Any parties involved in a contract must agree to the terms and conditions of a contract; there must be mutual assent or agreement of all parties before there can be a contract.
2. Competent Parties--A person must be of legal age to sign a contract. The law now states that anyone 18 years of age or older may sign a contract and have it legally binding on all parties. Anyone under 18 years of age is not necessarily bound by signing a contract. By law, anyone under age is considered a minor and not able to understand a

contract and therefore he is not bound by the contract. Some states make provisions for certain minors to sign contracts.

3. Purpose for a Contract--A contract cannot be for something illegal or something harmful to society. A contract is to bind both parties to an agreement legally.

4. Consideration for a Contract--By law something of value must be exchanged by the parties of a contract for it to be legal. If only one party presents something of value, the contract is not valid.

"Guidelines for Signing a Contract"

1. Don't sign until you have read the contract. Make sure you know what your rights and obligations are before you sign. If you're not sure of any of the provisions, make sure. Remember a contract is binding once it is signed.
2. Have all spaces filled in beforeyou sign the contract. Make sure of all charges and all stipulations within the contract.
3. Get a copy of the contract to make sure of your end of the agreement. Reread it thoroughly when you get home.

UNIT B BASIC CONSUMER LAW

Learner Objectives

To develop the student's knowledge of the laws that protect the consumer.

To develop the student's knowledge of the responsibilities of a shop keeper contained in the consumer laws.

To interpret the meaning of the laws.

To strengthen the student's knowledge of the wording used in law.

To develop the student's ability to write laws that they think should be enacted to protect the consumer.

Suggested Content and Activities

1. The teacher will bring in consumer laws from local and state statutes available in city and county libraries. Discuss the laws and their meaning to the consumer.
2. Have a local lawyer as a guest speaker on consumer affairs. Have the lawyer present to the class the local and state consumer laws and their common violations. How are the laws enforced? Who is supposed to enforce the laws? How is a complaint filed by a consumer? What are the responsibilities and obligations of the consumer?
3. Have the students engage in mock trials of consumer law violations. Have the class divide into groups:
   a. Judges--arrive at a verdict.
   b. Prosecutors--present the legal argument for finding defendant guilty.
   c. Defender--present the legal arguments for finding defendant not guilty.
   d. Plaintiff (Consumer)--writing out the complaint.
   e. Defendant (Retailer)--reasons for violation.

The following will be the violations that the groups will work on:

1. A rentor does not pay his monthly rent on this property because work is needed in the apartment.

2. A shopper in a store refused to pay the balance on his charge account because the merchandise he bought needs repairs that have not been made by the store.

3. A shopper buys a television set and wants to return it because it doesn't operate properly. The store refuses to take it back, but offers to make the necessary repairs.

4. A local insurance agent for a national insurance company writes an insurance policy and contracts to collect the monthly premium. The agent doesn't collect the premium. The client refuses to pay large sums at one time. The company cancels the policy.

Each group will be responsible for presenting their viewpoints as stated in the description of each group.

4. Have the students write new consumer laws that will protect the consumer. Have the students present their new laws and the need for such laws. Are the new laws practical and could they be enforced? How would they be enforced and who would enforce them?

UNIT C PEOPLE PROTECTING THE CONSUMER

Learner Objectives

To develop the student's knowledge of the people in the community who work to protect the consumer.

To develop the student's knowledge of the people in the state government who enforce the consumer laws.

To develop the student's ability to write business letters to government officials.

To develop the student's ability to write reports of factual happenings and then present them without distortion.

Suggested Content and Activities

1. The teacher will have the students write letters to the local District Attorney and to the State Attorney General. Request information on how a consumer would file a complaint. How would the complaint be handled? What types of complaint would they handle? When do each of the attorneys become involved in consumer affairs?
2. Have the students simulate cases that would be brought before the District Attorney and the Attorney General. Have the students role play each of the positions. Discuss the merits of the case and decide on what action should be taken in each of the cases.
3. The teacher will have the students develop a file of consumer cases that are presented in the local newspaper. Divide the file into three categories: local, state, and national. Discuss with the students why specific cases fall into each of the categories. Have the students predict the outcome of each case, attach it to the newspaper report, and then follow the case to its conclusion and compare it with their decision.
4. Visit the local District Attorney's office. Have the students prepare a list of questions to ask the local attorney. Have the District Attorney discuss with the students the need for strict enforcement of consumer laws and the need for better reporting of violations of the laws.

5. Have students write to Ralph Nader in Washington and request information on how the consumer can protect himself. Also request information on new consumer legislation and how consumer groups are trying to make shopping easier and safer for the consumer. Discuss with the students the need for consumer education. Discuss the need for stronger consumer laws based on the information received from the District Attorney and from Ralph Nader.

UNIT D CLAIMS COURT

Learner Objectives

To develop the student's knowledge of the small claims court in relation to consumer affairs.

To develop the student's knowledge of how a consumer is protected by the court.

To develop the student's ability to take notes and translate them into a factual report.

To develop the student's ability to discuss the laws and their interpretation.

To develop the student's first-hand experience in dealing with legal theory.

To develop the student's knowledge of how the court supports businessmen in consumer affairs hearings.

To develop the student's ability to diagram a flow pattern.

Suggested Content and Activities

1. The teacher will plan a trip to the local small claims court. The students will listen to the hearings, taking notes on the defense presented as well as the interpretation of the law in relation to consumer affairs.

2. The teacher will have the students translate their notes into factual records of the courtroom transactions. When and where it is possible the teacher may wish to record the transactions for use in the classroom in discussing the courtroom proceedings.

3. The teacher will refer back to the new consumer laws developed by the students in Unit B Section 3. Develop situations where each of the new laws would be enforced. Have the students hear each case and determine the effectiveness of the new laws and the fairness of these laws to both parties.

4. The teacher will now have the students construct a flow chart showing the various steps that would be followed in a consumer court. Begin at the small claims court and follow through to the Supreme Court and the United States Congress where a new law may be enacted to protect consumers.

5. The teacher will culminate this section with a tour of local business establishments. Have the students collect information concerning possible violations of consumer laws. Upon returning to the classroom have the students discuss the various violations they were able to discover. What are the possible reasons for the violations? How could these violations be corrected?

6. Have the students develop lists of consumer problems that they have run across. Develop ideas concerning the ideal sales situation from the discussions of their list of consumer problems.

SECTION IV SAFEGUARDING THE CONSUMER

UNIT A REGULATIONS PROTECTING THE CONSUMER

Learner Objectives

To develop the student's ability to read a label and relate it to the type of consumer protection it affords.

To develop the student's knowledge of the value of a label to the salesperson as well as the consumer.

To develop the student's ability to relate the information contained in a label to his customer.

To develop the student's knowledge of the various labeling requirements and the need for their enforcement.

To relate the material contained in labeling acts to retail selling.

To relate protection acts to honesty in selling of labeled merchandise.

Suggested Content and Activities

1. The teacher will acquaint the students with various labeling and protection acts that have been passed to protect the consumer.

Discuss with the class the need to enact this type of legislation. Why were the acts passed? Who are the acts designed to protect?

2. Have the students find various labels. Make copies of the labels and display them. Have the students show how the acts are used to protect the consumer. With each of the acts have the students develop answers to the following:

    1. What type of merchandise is covered by each act?
    2. Who is protected by the act?
    3. What need was there for the creation of the act?
    4. What are the provisions of the act?
    5. When must the merchandise be labeled?
    6. Who is responsible for labeling the merchandise?

3. Have the students divide up into groups to make charts showing the stages of manufacturing, merchandising, and purchase. At what point would the label be affixed to the merchandise?

4. Take the students on a tour of a department store. Show them the labeling of garments and various items in the store. Be particularly careful to show the students how toys are labeled to protect young children from harmful toys. In the fur shop have the students read the labels from fur garments and develop the students' knowledge of the tremendous amount of knowledge about a garment that is contained in the label.

5. The teacher will have each student copy information about an item in the department store. Each student will then come back and 'sell' that item to a classmate.

Consumer Protection Regulations

1. Automobile Information Disclosure Act--All automobile manufacturers are required to attach a label to a car showing its retail based price, price of the accessories, total price of the accessories and the total cost of the car. This label must also indicate any additional charges that may be added on by the dealer.

2. Child Protection Act--This act bans from interstate commerce household items that are so hazardous that warning labels are not adequate safeguards to protect a child. The act bans the sale of toys and children's articles containing hazardous substances.

3. Consumer Credit Protection Act--Through this act consumers must be informed of the credit charges in terms of annual percentage, charge on the decreasing balance, and service charges. The consumer must be told in dollars and cents the cost of credit. It also imposes restrictions on the garnishment of wages; advertisements giving finance credit costs must include information on annual interest rates, cash prices, incidental charges and other conditions. The act has now been amended to allow a possible discount of 6% to cash customers.

4. Fair Packaging and Labeling Act--Consumer products in interstate commerce are required to be honestly and informatively labeled. The act prohibits use of misleading terms and regulates bargain price promotions.

5. Federal Hazardous Substances Act--Any household product that is potentially dangerous to the consumer must be labeled. The manufacturer is also required to include antidote instructions for poisonous substances.

6. Flammable Fabrics Act--All flammable wearing apparel is prohibited from interstate commerce.

7. Food, Drug, and Cosmetic Act--Under this act:

   a. Foods are guarded for purity, safety, and wholesomeness.

   b. Drugs are guarded for purity, freshness, and effectiveness.

   c. Cosmetics are guarded for safety of use.

The law also insures that all food, drug, and cosmetic products are truthfully and informatively labeled.

8. Fur Products Labeling Act--The labeling and advertising of furs must give the true English name of an animal used, the country of origin on imported fur, and must state if the fur is used, second hand, or damaged. It must also state if it is made from pieces, paws, bellies, flanks or gills, and must state if the fur has been dyed, tip-dyed, or bleached.

9. Textile Fiber Products Identification Act--This act requires that a label be attached to textile merchandise and the label must contain fiber content, percentage of weight by fiber in order of size of percentage, manufacturer's name and address, or identification number, country of origin of imported fabrics and identification of fiber by generic name. It prescribes methods of presentation of information for advertising purposes.

10. Wool Products Labeling Act--Wool manufacturers are prevented from mislabeling their product. Labels on wool must show the percentage of wool used and the labels must not be removed before the product is delivered to the consumer. It also sets down three classifications of wool: wool, reprocessed wool, and reused wool.

UNIT B PROTECTING THE CONSUMER

To best work in this area the students should write to the federal agencies that protect the consumer. These agencies regulating consumer protection are:

1. Agricultural Research Service
   Department of Agriculture
   Washington, D. C. 20250

2. Consumer Marketing Service
   Department of Agriculture
   Washington, D. C. 20250

3. Federal Extension Service
   Government Building
   County Seat

4. Food and Drug Administration
   Bureau of Regulatory Compliance
   Food and Drug Administration
   Washington, D. C. 20204

5. Bureau of Family Service
   Local or State Welfare Agencies

6. Federal Housing Administration
   Federal Housing Administration
   Washington, D. C. 20410

7. Office of Renewal and Housing Assistance
   Division of Public Affairs
   Department of Housing and Urban Development
   Washington, D. C. 20410

8. Office of Economic Opportunity
   Local community action agency or state technical assistance agency

9. Federal Trade Commission
   Regional office in telephone directory

10. Consumer Union

11. Consumer Research Inc.

12. Better Business Bureau

13. Underwriters Laboratories, Inc.

UNIT C COMMON CONSUMER FRAUDS

Learner Objectives

To develop the student's awareness of consumer frauds and how to avoid them.

To develop the student's knowledge of what constitutes a fraud.

To have the students experience a fraud personally.

Suggested Content and Activities

1. The teacher will present the various types of consumer frauds to the student. During the student's lifetime he or she will encounter many different frauds. It is well to acquaint each student with the basic frauds so that he or she will become acquainted with them in business dealings. Use the list at the end of this section as a guide.
2. Divide the class into groups. Have them write chain letters to the other students to see how a chain letter works. Instead of pennies, ask the students to pass on a non-monetary object. Bottle caps would work well.
3. What is a fraud? Have the students develop a definition of fraud. Have the students write to the local Better Business Bureau, asking for their weekly bulletins. Many frauds that are in operation in your area will be included in the bulletin. Also have the students write to

the Federal Trade Commission in Washington and obtain copies of "News Summary," which will contain information about frauds as well as other practices that are unlawful.

4. When students begin setting up their own school store, they are going to be dealing with several companies. Have the students prepare a chart containing the steps they should follow in researching the company they will be dealing with. Be sure they include the following:

    1. Check with the Better Business Bureau.
    2. Look up the company in Dun and Bradstreet.
    3. Find out what kind of terms they can get for their merchandise.
    4. Find out what kind of discounts are available to them.

Types of Consumer Fraud

(From Leon Levy, Robert Feldman, Simpson Sasserath, The Consumer in the Marketplace. New York: Patman Publishing Corp., 1970, p. 434.)

Correspondence Schools

Most legitimate correspondence schools offer worthwhile courses, training, and other educational opportunities. But you must be aware of dishonest promoters who attempt to cheat and mislead the boys, girls, and adults who are striving to better themselves through correspondence courses.

Fraudulent training courses have been promoted for many different industries including electronics, airlines, fashion modeling, and motel management. Some correspondence schools claim to help you obtain civil service jobs and high school diplomas.

exploit the desire of lonely persons who seek companionship and hurt others who simply want to learn to dance.

The method most commonly used by the fraudulent promoter is to offer free lessons, free party clubs, and free trips to subscribers. The dishonest operator attempts to have the customer sign a contract for an expensive and extensive series of lessons even if the customer has no aptitude for dancing. Cases have been reported in which elderly persons had been talked into signing long-term contracts extending far beyond the time they could benefit from dancing lessons. If you plan to take dancing lessons at a dance studio, first check with your local Better Business Bureau about the reputation of the studio.

Unordered Merchandise

Almost all of us have received, by mail, merchandise we did not order or request. Usually a letter accompanies the merchandise asking payment for merchandise or for a contribution to a specific charity or other organization.

In other cases a subscriber has already fulfilled the terms of a contract by ordering a certain number of records or books and has cancelled any future deliveries, but merchandise is still sent with accompanying bills.

At the present time, the law does not forbid the mailing of unordered merchandise. You can, however, deal with the problem of unordered merchandise by either of two methods. You can write the word "refused" on the package and return it to the company without adding any postage or you can store the merchandise without using it. You are not, at the

present time, under any legal obligation to return unordered merchandise. If you do use the merchandise, you can be made to pay for it. In some states, unordered merchandise may be considered to be a gift and need not be returned or paid for.

Chain-Referral Selling

You should be especially wary of the salesman who attempts to sell you merchandise or a service with the lure of a "sure-fire" method for you to make extra money. In this scheme, a promoter describes a program by which you, the prospective customer, can earn money by merely recommending other customers who will buy the product he is selling. For each customer who buys, the salesman promises a sum of money to offset the cost of your own purchase. He also indicates that it is possible for you to earn money beyond the amount of your own purchase by continuing to recommend other customers. He then asks you to sign a contract that shows your "good faith" and that binds you to purchase the product.

Usually, the promised "referral commissions" are not paid, and you are required to pay the full amount for the merchandise you ordered. In addition, you may find the product you purchased has been greatly overpriced.

Charity Rackets

One of the more objectionable rackets used to cheat consumers involves the solicitation and collection of money for phony charities. Millions of dollars are obtained each year from the generous public by unscrupulous people who operate under the guise of helping children or

deserving societies. Sometimes the money collected goes directly into the pockets of the promoters. In other instances, a portion of the money collected is actually used for charitable purposes, but a very large share of the funds is siphoned off for the salaries and expenses of the collectors. Many legitimate charities are engaged in useful and vital activities designed to help persons who are needy or handicapped and to foster medical research. These charities deserve support.

You should keep the following points in mind when making a contribution to charity:

1. Check with your local Better Business Bureau or Chamber of Commerce about the reputation of the charitable organization seeking contributions.
2. Restrict your contributions to those organizations with which you are familiar or those with national reputations.

Medical Fraud

Promoters practicing medical frauds prey upon those who are ill or worried about baldness, being overweight, or other physical and mental conditions. They promise quick cures and obtain money from sick persons for worthless medicines and therapeutic devices.

In some schemes, "treatment" by medical "quacks" involves impressive equipment and is prolonged so that the victim continues to pay for a long time. Very often medical quacks can cause a sick person to delay obtaining proper treatment until it is too late to effect a cure.

If you are in doubt about choosing a doctor, you can check any physician's reputation with your local medical society and your state health department.

Other Frauds

Dishonest promoters are constantly devising new methods of obtaining money from consumers. They advertise and sell merchandise that is never delivered, collect insurance premium payments that are never turned over to the insurance company, sell real estate that is under water, falsely promise to have songs published for a fee, and solicit funds from lonely persons by promising them membership in lonely hearts clubs and travel clubs that do not exist. If you are not acquainted with persons or companies you intend to deal with, you should first investigate them carefully and check on their reliability and reputation with your local Better Business Bureau and Chamber of Commerce.

UNIT D PRIVATE CONSUMER ORGANIZATION
"HOW THEY PROTECT THE CONSUMER"

Learner Objectives

To develop the student's awareness of consumer organizations that protect the consumer by doing research on products in the market place.

To develop the student's ability to do his own research on consumer products that could be dangerous.

To develop the student's knowledge of dangerous substances and the possible hazards in various consumer products.

To strengthen the student's reporting and observational skills.

Suggested Content and Activities

1. Have the students write to the following consumer organizations:
   a. Consumers Union
   b. Consumers Research, Inc.
   c. Underwriters' Laboratories, Inc.
   d. Good Housekeeping
   e. Parent's Magazine

Ask for information describing the types of products they test and how they test the product for the consumer.

2. Have each student select a product (non-electrical) and check for possible hazards. What defects are there in the product that could prove dangerous? Each student will then prepare a report including his observations of the product. The student will, in his concluding statements, summarize his findings and decide whether the product is safe or unsafe.

3. The teacher will then have the student present his report and product to the class. Discuss his findings and observations. Then have the class evaluate the student's findings and rate each product on the following scale:
   1. safe
   2. fairly safe
   3. useable
   4. restricted use
   5. unsafe

4. The teacher will have each student decide what type of store he will establish. What kinds of merchandise will the student handle in the store and how will he or she find the safety factor for each product he or she will handle? What consumer groups will be relied on for reports on the merchandise? What factors will he or she consider when evaluating the merchandise?

SECTION V EVALUATION OF PART A

Learner Objectives

To demonstrate knowledge of consumer protection by law and by consumer groups.

To plan a store that will best serve the consumer and provide the store owner with a profitable business.

To demonstrate ability to avoid fraudulent claims or misleading statements in describing the product.

To demonstrate ability to choose safe merchandise for the store.

To demonstrate knowledge of display for consumer appeal.

To demonstrate knowledge of a product to be "sold" to a classmate.

To demonstrate knowledge of a contract and the parts of a legal agreement.

Suggested Evaluation Procedure

1. Following the conclusion of Part A of this course outline, the teacher will assign the following project to the students: Plan

a retail store that you would set up. There is no restriction as to the type of store or the merchandise that the store will carry. The following considerations should be included in the store plan:

1. A written description of the store and the type of merchandise the store will carry.
2. A model of the interior layout of the store to provide maximum space and accessibility for the consumer.
3. A summary of the steps a student would follow in the selection of the merchandise and brand names he would carry in his store.
4. Design a retail sales contract for the store. The student will assume that the customer is buying a major item from his store and that the item will have a relatively high price.

CANADIAN
STYLING

JAYMAR
SPORTSWEAR

FORD
CUSTOM
CAR RADIOS
by
Panasonic

PART B

THE RETAIL STORE AND RETAIL SELLING

SECTION I THE GOVERNMENT REGULATION OF RETAILING

UNIT A GOVERNMENT REGULATIONS

Learner Objectives

To develop the student's knowledge of government regulation of retailing and how it affects the shop owner.

To develop the student's ability to use these regulations in his or her own operations.

To develop the student's ability, through reasoning, to see how regulations affect business.

To develop the student's knowledge of practices that are prohibited by federal and state law.

To develop the student's ability to protect himself or herself in business operations.

Suggested Content and Activities

1. The teacher will present in discussion the following reasons for governmental regulation of business:
   a. To protect citizens against hazards arising from a business building and equipment.

b. To protect the interests of employees from unfair employers.

c. To protect competitors against unfair pricing and unfair practices (monopoly).

d. To protect consumers against the sale of harmful goods, misrepresentation in advertising and selling, and against high prices caused by conspiracy.

e. To tax business in order to help pay for increased governmental services.

2. The teacher will have the students write to the Federal Trade Commission to obtain copies of pamphlets of governmental regulations that fall into each of the five categories in the first part of this unit. Many of the regulations will be covered in several of the categories. This will give the students a good idea as to the overlapping within governmental regulations to protect both the consumer and to aid the businessman.

3. The teacher will have the students write to the Small Business Administration in Washington and request information on establishing a small business. Upon receipt of the material, have the students begin combining the material with the material on government regulations and begin to develop the idea that there is a great deal of help offered by the government in establishing a business.

4. The teacher will acquaint the student with tax regulations necessary for operating a small business. Have the students read and evaluate the forms. What information is asked for? What specific details of the business are expected? From a discussion of the tax form the following information should be brought out:

1. The need to keep clear and accurate records.
2. Government protection of the employers.
3. Government check of profits.
4. Government taxing of business to provide services to business.

5. Have students fill out tax forms. Give them imaginative problems and figures. Have the students figure their tax. Give them two sets of figures, one showing a profit for the period, the second one showing a loss for the period. Tax forms can be duplicated.
6. Have the students interview and tape local businessmen. Questions should include:
   a. What government regulations are helpful?
   b. What regulations interfere with free enterprise?
   c. What regulations should be changed?
   d. What new regulations are needed?
   e. Are the tax laws adequate for the small businessman?
   f. Are the tax laws thesame for small businessmen and for large corporations?
7. Discuss the findings of the taped interviews with the class. From the interviews many of the inequities of business will be brought out. Are there advantages to a small business? Can the small business develop into a profitable enterprise?

UNIT B ATTITUDES TOWARD GOVERNMENT REGULATIONS

Learner Objectives

To develop the student's awareness of our free enterprise system.

To develop the student's knowledge of how the free enterprise system works.

To have the students develop an understanding of how businesses work within the free enterprise system.

To develop alternative systems to show the advantage of our system.

To evaluate our system of controls and show how regulation can lead to more freedom within the system.

Suggested Content and Activities

1. Have the students bring in their games of Monopoly. The game will produce many specific understandings of the actual business world. The students should develop knowledge of the following:

   a. How people become successful.

   b. How people become wealthy.

   c. Why some business people do not succeed.

   d. The attributes of a successful business person.

Discuss with the students each of the above.

2. Begin altering the game. Place restrictions on purchases and types of holdings that can be acquired. Have the students develop new restrictions. Begin taxation on properties and holdings. From this the students will come to the following observations:

a. Some people are helped by the new restrictions.

b. The new restrictions are not necessarily fair to all.

c. Restrictions tend to frustrate the aggressive business person.

d. Taxation can remove the incentive to buy new properties.

3. Now play the game a third time. This time all businesses are run by the government. The students will soon develop the idea that overly regulated business takes away all incentive and people no longer strive to be successful.

4. Have the students each select a stock from the newspaper. Follow the stocks for a week. Then have the student "purchase" 100 shares of the stock. Have each of the students figure the total cost of their stock by multiplying the cost quoted by 100. Then have the students follow their particular stock day by day and find the amount of money gained and lost each day. Have the students make a graph of the fluctuation of their stock. Each student will also keep a daily journal of the stock market including the influences that either increased or decreased the price of the stock.

UNIT C AREAS OF GOVERNMENT REGULATION

Learner Objectives

To have the students become knowledgeable in the areas of governmental regulation.

To develop the student's knowledge of the various agencies in the government that regulate business.

To develop the student's knowledge of how these organizations regulate business.

To develop the student's awareness of how and why government may totally regulate an industry.

Suggested Content and Activities

1. Have the students divide into four groups dealing with the major areas listed below. Have the students in each group write to the various agencies and organizations and ask for information concerning government regulations.

   A. Regulation of Commerce
      1. Interstate Commerce Commission
      2. Civil Aeronautics Board
   B. Regulation of competition
      1. Federal Trade Commission
      2. Securities and Exchange Commission
   C. Regulation for Public Health and Safety
      1. Department of Agriculture
      2. Department of Health, Education and Welfare
   D. Labor Regulations
      1. Department of Labor
      2. Department of Health, Education and Welfare, Social Security Administration
      3. United Mine Workers
      4. United Auto Workers
      5. American Federation of Labor

2. When the students receive materials, have them develop charts showing the type of regulation and the type of business that is regulated by the laws and acts. The groups should plan their charts to show the interrelation between the acts.

3. The teacher through discussion will show the need for regulations and the reasons for laws to protect the businessman and the consumer.

4. Why is the government involved in regulation of business in the four areas listed above in part 1? Have the students develop another list of reasons for protection. Include in the list the need to protect various monopolies.

5. How do each of the agencies regulate business? Have the students find the application of the regulations within their community. Applications will include:

   a. Packaging
   b. Truck licensing
   c. Shipping costs
   d. Labeling
   e. Advertising

By now the students should be aware of the various restrictions and regulations of the federal government. They should be able to go out on their own and find the various regulations in operation. Have the students bring back their own lists and combine the information into a master list of actual regulation.

UNIT D RESALE PRICE MAINTENANCE

Learner Objectives

To develop the student's knowledge of "Fair Trade" pricing and why certain items are always fair traded.

To have the students understand the need for fair pricing.

To develop the student's knowledge of how fair pricing affects competition.

To develop the student's knowledge of the disadvantages of fair trade laws.

To develop the student's ability to find the best method of pricing goods within a business.

Suggested Content and Activities

1. The teacher will divide the class into groups to cover various types of merchandise. Have the students visit various sales outlets in the area and "price compare" brand name merchandise. The following information should be constant in each group:

   a. Model
   b. Quantity
   c. Guarantee or Warranty
   d. Size
   e. Extras

   The following are the groups of merchandise to be price compared:

   a. Auto parts and accessories
   b. Alcoholic beverages
   c. Books and music
   d. Clothing and wearing apparel

e. Cosmetics and drugs
f. Electrical appliances
g. Home furnishings and housewares
h. Hardware and paints
i. Jewelry, watches and silverware
j. Photographic supplies
k. Stationery and office supplies
l. Textiles
m. Tobacco and smoking supplies
n. Toys and sporting goods

Which of the items were fair trade items? How many items varied in price according to the store selling the item? Have the students in each group answer the above questions for their specific merchandise and show the relation between fair price and competitive pricing in controlling competition.

2. The teacher will have the class develop a list of advantages of fair trade pricing. From their comparison shopping, have the students answer the following:

a. What advantages would there be if prices didn't vary?
b. Why do prices vary so greatly?
c. What types of merchandise are best suited to fair trade pricing? Why?
d. What effect on competition does a fair trade item have?

From the answers to the above questions, the following advantages should have been drawn:

a. Smaller merchants promote the fair traded merchandise and insure wide distribution.
b. Unwarranted and unfair price cutting is avoided.
c. An adequate mark-up is realized by the retailer since the price is not frequently cut by other merchants.

3. By class discussion, the teacher will describe the disadvantages of fair trade from the students. The students may wish to make a comparison between the advantages and disadvantages and develop a better pricing system that would include the advantages and eliminate the disadvantages.

4. Develop with the students the need for certain pricing laws:

   a. Prohibit dealers from selling merchandise below cost unless the item is being closed out.

   b. Prevent the use of loss leaders.

   c. Items can only be sold below cost if the item is:

      1. A closeout of a product line

      2. Seasonal goods at the end of a season

      3. Court ordered for liquidation

      4. Damaged or perishable goods

5. Through class discussion the teacher will develop "price discrimination laws" that are designed to protect the consumer and the businessman from:

   a. Unfair price advantage to favored customers

   b. Quantity or method of sales basis for pricing.

From the material received from the Federal Trade Commission, the students will be able to develop a large quantity of information on pricing regulations.

SECTION II CONTROL OF THE STORE

UNIT A FUNDAMENTAL RECORDS

Learner Objectives

To use fundamental records to keep track of the sales and business of a small store.

To develop a system for keeping records of debits and credits.

To develop a system of records to balance inventory against stock received and stock sold.

To develop a classification of expenses to permit identification of expenses so that they may be reduced or replanned.

To develop a system for recording sales on a cash register or on an adding machine.

Suggested Content and Activities

1. The teacher will discuss with the students the need for keeping sales and expense records. Have the students develop the knowledge that records are necessary for taxes, to plan expenses to control merchandise in the store and to find merchandise that either sells quickly or slowly and to adjust the inventory accordingly.
2. The teacher will have the students develop a system of recording incoming merchandise. What important information should be recorded for each incoming shipment? The following information should be recorded:

a. Style or color

b. Model

c. Size

d. Description by manufacturer

e. Cost of wholesale item

f. Selling price

With sheets of ledger paper, have the students devise an adequate system to record new stock. Make sure that they include all the above information. Assume the merchandise will be sold in the school store. Items should include books, notebooks, binders, pencils, pens, and various other school supplies. Have the students use their own materials in the classroom as the incoming merchandise. Make up record sheets for the materials as incoming merchandise.

3. Have the students devise a record sheet for the sales. Have the students show how they would keep a running inventory of the merchandise being sold on a daily basis. Again using ledger paper, have the students list the merchandise and then for a week record sales of the merchandise. Balance the sheet to correspond with the items sold and the total left in inventory.

4. What expenses would a store have? Through discussion, have the students develop a list of expenses in a store. Divide the list into fixed expenses and variable expenses. How could we use ledger sheets to keep track of our expenses? Develop a ledger system for expenses.

5. Develop a ledger system for recording sales. Have the students devise a system to record the merchandise sold and the total receipts for the day. The two should balance for the day. Show students

how an adding machine can be used to record sales by putting a classification number on the merchandise and then putting it on the adding machine tape before the price of the item. Have the students bring in empty food cans and devise the records of sale using the empty cans for price and department.

From Unit B of Section II the students will be planning and organizing their own school store. Each step from now on will in itself be a continuous evaluation procedure. The students will now be putting into operation each new concept they learn. The ultimate goal is a successful small store run and managed by the students. They are the owners. The records are for their store. They are now shopkeepers and businessmen. All they have learned about consumers and the management of a store must now be used. This should be a most worthwhile adventure for your students. It is suggested that the teacher go through and teach all sections prior to letting the students operate the store. Most of the following sections relate to the actual operation of the store.

UNIT B RECORD SYSTEMS

Learner Objectives

To institute a record system to keep track of merchandise.

To establish records of profits, expenses and losses.

To develop a system of checks on orders.

To organize a filing system to keep track of orders and invoices.

To develop a system of bookkeeping to keep records.

Suggested Content and Activities

1. The students will decide what merchandise they will stock in their store. Have the students begin writing to manufacturers and obtain information about prices, discounts and shipments on consignment.
2. Develop a system of records based on the samples devised in Unit A of Section II. Three specific areas of records will be devised:
   1. Inventory
   2. Sales
   3. Expenses

Divide the class into groups to be responsible for the records in each section. The students will develop theledger sheets for their own section.

3. The teacher will have the students set up a filing system to keep track of invoices and orders. Each of the groups in part 2 of this unit will also set up a filing system to keep track of their records. The records will best be kept in a hard bound ring binder. From the time merchandise begins arriving, students will make weekly balances of their records.
4. When the store is set up and operational, the students will want to check the following and make financial reports on a rerular basis:
   1. Investment in merchandise
   2. Gross income
   3. Expenses
   4. Increase or decrease of sales

5. What lines are selling

6. Sources of profits

To get this information the students will have to inventory their merchandise and check it against sales.

UNIT C PURCHASE AND INVENTORY RECORDS

Learner Objectives

To develop purchase records for merchandise in the store.

To organize theinventory records according to the types of merchandise in the store.

To develop a model stock plan for the store to organize the replacement of merchandise.

To reprice and check all prices according to inventory and list prices.

To develop reasons forinventory shortages including both clerical errors and physical loss.

To develop the idea that all merchandise is to be inventoried at current market price.

Suggested Content and Activities

1. The teacher will develop with the students the actual record system the students will use as they begin receiving merchandise for their store. Make sure the students check their shipping invoices against their merchandise orders.

Develop the following record accounts with the students, making sure they are marking and recording each item properly:

a. Basic stock list--merchandise the students will keep in stock all year.

b. Model stock plan--to arrange the merchandise within the store area. Similar and related merchandise should be displayed and stocked in adjacent areas.

c. Purchase book--recording whatis ordered and what is received.

d. Accounts payable ledger--listing bills that have to be paid, but are not yet paid.

2. The teacher will develop with the students a system of keeping an inventory of the store. The following plans for a physical inventory should be followed closely:

1. Take a physical inventory monthly.

2. Reduce stock prior to inventory.

3. Clean, straighten and organize all stock and display areas.

4. Reprice and check all merchandise price tags against actual selling price.

3. The teacher through discussion following the inventory will develop reasons for shortages. What possible reasons could there be for shortages? From checking the inventory against the orders and shipments, the student businessmen will develop reasons for clerical errors in the shortages. Show students that clerical shortages are overcome by overages of other merchandise. What other possible reasons for shortages

are there? Have the students develop the following reasons for physical loss:

a. Shoplifting

b. Theft by employees

c. Breakage and damage

d. Giving customers more than they paid for

e. Undetected shortage in receipt from vendor

f. Loss from use of merchandise within the store

4. The class will develop their own filing system to keep track of invoices, orders, statements, inventory sheets, payments, and shipping invoices. Develop with the students the reason for making multiple copies of everything they do, so that they can file the copies properly. The following guidelines will help the students see the need for the multiple copies:

a. Make four copies of an order. One copy to the supplier so that it can be filled. One copy in the supplier's folder so that you can check what has been ordered. One copy to the person who checks incoming shipments, and one copy to the group that pays the bills so they can check the bill against the order.

b. Multiple copies of an inventory should be made so the students can check the inventory against receipts of sale and against shipping bills. A copy of each monthly inventory should be kept to compare each inventory for mistakes or omissions.

c. Copies of bills should be kept in the supplier's folder

stapled to the order. The bill, when paid, should be dated and have the check number on it.

UNIT D EXPENSE RECORDS

Learner Objectives

To list all store expenses to show how money is being spent.

To develop student understanding of reasons for keeping expense records.

To balance the books at the end of the month to arrive at a total amount of expenses.

To develop a statement of expenses to show the other student businessmen how their money is being allocated to run the business.

Suggested Content and Activities

1. The teacher will develop the following list of expenses with the students to classify their expenses (It should be noted here that both space and fixtures should be rented from the school. Although this is a course of study, the students will get a better understanding of business operations if they are required to pay for everything they use. The group can negotiate with the principal for the rental fee. A contract will be drawn up by the students and will be executed by the students. Within the contract it should be stated how the rental fees will be dispersed by the school.):

a. Natural expenses

1. Property rental

2. Advertising expenses
3. Taxes (if any)
4. Interest
5. Supplies (even if taken from the store)
6. Services purchases--cleaning, repair, etc.
7. Insurance
8. Donations to charities
9. Equipment rental
10. Payments to suppliers

b. Unclassified expenses

1. Cash shortages
2. Stolen merchandise
3. Damaged merchandise

2. Have the students divide the expense recordsinto the two groups. Have them develop and list the expenses that fall into each category. Have the students make sure there is no overlapping within the expense lists.

3. The students will now begin listing their expenses. Have the students list their expenses according to the list in part 1 of this unit. All expenses within each group should be listed alphabetically. Make sure that each expense is recorded as it is paid, including all rental fees to the school.

4. Have the students prepare an expense sheet at the end of each month showing the total expenses for the period within each of the categories. The expense sheets will be turned into the treasurer of the

store and will be presented to the class in the financial statement each month.

UNIT E SALES RECORDS

Learner Objectives

To keep records of all sales within the store.

To record all sales within the proper department within the store.

To organize the records so that each department is given proper credit for the merchandise sold in that department.

To compile the sales records and make a statement to the class of money received from the sales in each department.

Suggested Content and Activities

1. Have the students divide the store into different departments according to types of merchandise. Organize a system of sales records to show the money brought in daily from each of the departments. The students will record daily the sales from each department.
2. The students will develop a daily total sales record that will balance with the total receipts, both the actual cash and the receipt tape from cash register or adding machine.
3. The students will prepare a monthly statement of sales to present to the class. The sales record will be broken by department, and again the records will balance between cash receipts, receipt tapes, and the department records. Have the students then present the sales records to the treasurers to beincluded in the monthly financial report to the class.

UNIT F BUSINESS STATEMENT

Learner Objectives

To combine data from financial reports of expenses and sales and arrive at the month's profit or loss amount.

To use and understand the terms: income, profit, loss, assets, liabilities, and proprietorship.

To report the financial condition of the store on a monthly basis.

To show which departments are making a profit, and which are showing a loss.

Suggested Content and Activities

1. From Units D and E the students will have both expense and income financial sheets. Have the treasurers group develop a statement of finances and of profit or loss for the month. Present the statement to the class. Have the students find the departments that show a profit, and the departments that do not. This information will be needed when the students are doing their planning for the following months.
2. Have the students develop the idea of assets and liabilities. Where is their income coming from? Where are the expenses going? What total profit are they achieving from their investment? The above will develop the idea that to show a good profit they must watch their expenses carefully.
3. Develop a balance sheet. Label the one column income or assets and the second column expenses or liabilities. Have the students then

compute their assets and liabilities for the month. Balance the assets and liabilities to show the net profits and file them in a ledgerbook.

SECTION III PLANNING FOR PROFIT

UNIT A FUNDAMENTALS OF RETAIL PLANNING

Learner Objectives

To plan stock to show a profit.

To plan sales to get rid of slow-moving items from the inventory.

To plan stock for future months to show an increase in profit.

To plan ordering to insure an adequate inventory.

To plan expenses to eliminate unnecessary expenses.

To plan mark-ups to show a good profit for the investment.

To plan mark-downs to eliminate merchandise and still show a profit in that department.

To plan what kinds of merchandise to stock to adequately service the school.

To plan advertising for the grand opening of the store.

Suggested Content and Activities

1. The students will begin planning the store. Have the students first plan when the store will be open for business. Have them schedule the store hours and plan the number of people they are going to have working in the store while it is open. Each student in the

class will be scheduled for work in the store so that he or she can have experience on the selling floor. The students should be working during study periods and lunch breaks.

2. The teacher will develop with the students a plan of merchandise for the store. Survey the students in the school. What type of articles would they want the store to carry? A possible list of merchandise might include the following:

    a. Stationery supplies (pencils, pens, rulers, etc.)

    b. Notebooks and paper

    c. Paperback books

    d. School T-shirts

    e. School sweatshirts

    f. Snack foods

3. Have the students plan the stock they will carry in their store and submit tentative orders for the merchandise. Contact local suppliers and request information on obtaining the merchandise on a consignment basis. Have the students send orders for the merchandise.

4. Plan the amount of mark-up the students will have to get in order to show a profit. The general rule is to mark up each item fifty percent. Some items will come pre-priced from the manufacturers and should be sold at that price. Also manufacturers will send out suggested selling price lists which should be followed in the beginning. Have students prepare prices for all merchandise before the merchandise is put out on the floor.

5. Plan the initial advertising for the store. Posters and flyers should be displayed and distributed throughout the school.

Prices of selected items should be used in the advertising to acquaint students in the school with the merchandise the store will be handling. As the time for the opening draws nearer, more advertising should be spread through the school. Don't forget the teachers in the school.

6. The teacher will develop sales goals with the students. Have them set realistic goals for the store. Make sure their goals cover their monthly expenses and little else so that the first month they can show some profit. After the first month, the students will havefigures of sales to plan the following month's sales figures. Each month there should be an increase in the sales figures over the previous monthly figures.

7. Have the students plan the "Grand Opening" of the new store. Invite local officials and school officials to the opening. Have the local papers send photographers and reporters to cover the event. Remind the students that it is good publicity and good public relations to get outside coverage for their store. Students in the school should be invited to "look over" the new store.

UNIT B PLANNING SALES AND STOCKS

Learner Objectives

To recognize slow-moving merchandise and plan sales to lower the stock of these items.

To plan sales to increase themonthly sales figures in certain departments.

To plan stocks so that the store will have merchandise available when sales are highest during the month.

To plan sales when the sales figures are lowest during the month to increase business for these slow periods.

Suggested Content and Activities

1. After the first month of operation, the students will have figures to work with in planning the store. From the figures, have them develop the following list of information:

   a. Slow-moving merchandise

   b. Fast-selling merchandise

   c. Slow or low-selling depgrtments (not meeting their plan)

   d. Fast or high-selling departments (meeting their plan)

Have the students make up a chart showing the monthly figures for each department. Have the students then plan a sale featuring the slow-moving items so that they can lower their stock.

2. Advertise the sale. The teacher will have the students design and distribute flyers advertising items that will be on sale. Include coupons for special items to find out how many customers are reading the flyers they are receiving from the store. Retain the coupons so that the students can show the number of items that were marked down so that they can include these figures in their monthly financial report from Section II of Part B.

3. The teacher will have the students plan their stocks and order them from the manufacturer. The students will plan theincrease

in stock in the faster-moving items and decrease stock in the slower-moving items. Remember that since they are ordering on consignment, they must pay for the first shipment before they can reorder from their supplier.

UNIT C PLANNING PURCHASES AND MARK-UPS

Learner Objectives

To plan mark-ups to adequately meet expenses and show a profit.

To plan by department rather than by the entire store.

To compute actual percentages of mark-up for each department.

Suggested Content and Activities

1. From the monthly department statements of sales, the teacher will have the students plan their purchases for the following month. These should be based on the previous month's figures plus a modest percentage increase. The students will decide which departments are overstocked, and which departments need additional stock.

2. From the profits of the previous month, the students will decide how to reinvest the profits into the store. Which departments need a larger variety of merchandise? Give each department a share of the profits in relation to their part of actual sales. This will become their "open-to-buy." This money will be used to either get additional merchandise , or to bring in a new line. It should be noted here that if the store brings in new merchandise, it should be advertised so that the customers will be aware of this.

3. The teacher will have the students figure their actual mark-up.

This will give the students the mark-up percentage they should be using to price their merchandise as it comes into the store. If this percentage is higher than the percentage they were using, they should decrease their prices. The mark-up formula should be used periodically to check prices and insure a good profit.

4. The students should periodically check their purchase figures against their open-to-buy and against their mark-up percentages to review store policies and check their profit margin. Remember a good store shows profit. Discuss with the students the need to review prices and purchases.

UNIT D UNIT STOCK CONTROL

Learner Objectives

To order merchandise from an "on hand" count instead of waiting for stock to dwindle.

To use actual stock counts to organize the purchase of materials.

To insure a proper flow of stock from the manufacturer.

To physically count the merchandise weekly in order to balance sales records.

To use the control count to locate and possibly correct any shortages or overages in merchandise.

Suggested Content and Activities

1. Have the students divide into departments, and count the merchandise in each department. Merchandise should be counted and separated by size, color, model, and price when it is counted.

2. Have the students check these figuresagainst the amount sold and the amount received. This will show any differences between actual counts and calculated amounts found by subtracting the amount sold from the amount received. Students will find differences, and corrections should be made wherever possible.

3. Have the students create and use a unit control sheet for each department. Have them count each item separately by size, model, and color. Have them arrange the merchandise into its proper department. This will give them an actual count of the merchandise they have on hand. By filling out the unit control sheet, they will be better able to check merchandise sales and check their daily receipts for inaccuracies.

4. The teacher will now have the students set up a permanent record system for keeping these unit control sheets. This will be especially valuable if the project is carried on for more than a year. These figures will allow the students to more accurately control their stock during the year. Buying and plan figures can be more accurately set.

SECTION IV SALESMANSHIP

UNIT A SELLING

Learner Objectives

To learn about selling in order to sell customers merchandise in the store.

To develop knowledge of the duties of a salesperson other than actual selling.

To recognize that the handling of merchandise by the customer is the most effective way of selling.

To develop a list of poor selling habits.

Suggested Content and Activities

1. The teacher will develop the idea with the students that selling involves more than just showing the customer merchandise. Selling is getting the customer involved and then persuading the customer to buy. In what ways can the customer become involved? The following questions should be asked of a customer:

   a. How do you plan to use the article?

   b. What information does the customer want?

   c. Is the customer familiar with the manufacturer?

Through answers to these questions, the salesperson will begin persuading the customer to buy the product. The students must remember to answer questions carefully so as not to make false claims.

2. The teacher will develop the students' knowledge of the duties other than selling that a salesperson must perform. Ask these questions: What jobs should a salesperson do other than selling? How do these other jobs enable him or her to do a better job of selling?

   a. Jobs a salesperson should do:

      1. Stock-keeping
      2. Preparation of displays
      3. Merchandise control
      4. Assist customers
      5. Handle complaints
      6. Exchange merchandise

   b. How these enable a salesperson to sell better:

      1. Get better knowledge of merchandise in stock.
      2. Get better knowledge of merchandise.
      3. Better customer relations.
      4. Return business from satisfied customers.

3. The teacher will have the students write a short paragraph giving their definition of selling. When they are finished, discuss their definitions with the class. Remember there are no incorrect answers. Have the class then develop a new definition of selling based on the discussion.

4. Develop the knowledge with the students that every contact with a customer cannot end in a sale. How should each customer be treated? What should you do if the customer doesn't want to buy? How should you end the contact with the customer? Remember that each customer is a potential buyer.

5. Develop with the students the different types of selling. Both personal and non-personal selling are necessary in a store. The following lists show examples of both types of selling:

Personal

a. Direct contact

b. External selling (door-to-door)

c. Internal selling (calling on a customer)

d. Call regular customers and tell of special values

e. Internal personal selling (over-the-counter)

Non-Personal

a. Advertising

b. Display windows

c. Exhibits

d. Sampling of a product

e. Interior arrangements and displays

UNIT B A GOOD SALES APPROACH

Learner Objectives

To follow the steps of a good sales approach.

To get the customer involved in the sale.

To explain the advantages of the merchandise.

To overcome a customer's objections to a product in a positive manner.

To close a sale properly to ensure a good increase in business.

Suggested Content and Activities

1. The following format is considered a fairly standard sales plan. Each of the parts should be included:

   a. Beginning the sale

      1) Pre-approach

         a) Neat appearance

         b) Appealing display of merchandise

         c) Knowledge of the stock and what is available

         d) Product information

         e) Knowledge of advertising and sale items

         f) Knowledge of regular customers

      2) Approach

         a) Prompt

         b) Friendly and courteous

         c) Interested tone of voice

         d) Varied phrasing

   b. Greeting

   c. Determine the customer's wants

      1) Listen to customer's wants and needs

      2) Determine the mood of the customer

         a) Is he just looking?

         b) Is he undecided but knows what he is looking for?

         c) Is he decided and asks for a specific product?

   d. Heart of the sale

      1) Display and demonstrate the product

a) Show the merchandise in action

b) Let the customer get his hands on the product

2) Sales talk

a) Special features of the product

b) Information about durability

c) Answer all questions truthfully

d) Guarantee and warranty on product

e) Specialized knowledge of the product

(1) Use of product

(2) How it will perform

(3) What it is made of

(4) How to use it

(5) How to care for it

(6) Background information

(7) Services available with the product

3) Get the customer to talk.

4) Answer objections positively.

e. End of the sale

1) Suggestion selling--items that go with the product being sold

2) Closing

a) Will this be cash?

b) May I wrap this for you?

c) May I get one from stock for you?

d) Will there be anything else?

2. The teacher will have the students select products that they have purchased. Why did they buy it? What reasons were there for making the purchase? Are they satisfied with the product? Have the students list the selling points of the product. Have the students overcome any negative points about the product.

3. Have the students plan and write a sales pitch for the product. How would they approach a customer? How would they begin the sale? How would they determine the customer's wants and needs for the product? How would they get the customer's hands on the product? Make an outline of how they would sell the product. This should not be a script.

4. The teacher will have the students role play a store situation where they actually "sell" their product to a fellow classmate. Follow the format developed in section 2. Use the evaluation sheet at the end of this section to evaluate each student's performance. If they follow the format, each student should do an acceptable job.

5. When the store is in operation, the student salesperson should be evaluated using the same form. All storesuse some form of performance evaluation. The student should be evaluated on knowledge of good selling, and not on whether or not there was a purchase.

UNIT C DISPLAY ADVERTISING

Learner Objectives

To develop a display to advertise products.

To develop displays as a form of selling within a store.

To develop attractive arrangements of merchandise.

To organize and arrange the store to promote optimum selling.

To create positive conditions for the customer.

To show merchandise to its best advantage.

To show merchandise as it will actually be used by the customer.

Suggested Content and Activities

1. The teacher will have the students make a display for the product they sold in Unit B. The display should include: the product, a sign or poster listing a few of the major selling points and the price, and an attention-getting gimmick to attract the customer to the product.
2. Have the students write copy for an advertisement to be used "on the air." Have the students role play as radio announcers doing a commercial. The students should each get a 30-second break to advertise the product. Limit this to the major selling points, price, and where this product is available.
3. Arrange merchandise in the store in an attractive fashion. Merchandise displays should be simple and practical. Any wearing apparel should be displayed so as to show the merchandise completely.
4. Have the students design display posters and signs to advertise merchandise in the store. Have them place the signs with the merchandise so as to attract the customer's attention. On sale posters, make sure both the current price and the former price are included.
5. Lay out a floor plan for the store so that items that are used together are placed adjacent to each other to create suggestive selling of related merchandise. Have the different department groups

establish a floorplan for each area and then combine the floor plans to make a master plan for the store. These plans should be kept on file and referred to when revisions are made. When there is an actual revision, the floor plan should be changed.

UNIT D STOCKKEEPING

Learner Objectives

To develop an accurate stock system to control the flow of merchandise through the store.

To develop reasons for stock duties of a salesperson.

To rotate stock so as to get rid of older merchandise before using newer merchandise.

Suggested Content and Activities

1. The students will develop their own flow chart showing each step from the arrival of the merchandise through sale to the customer. They should set up an area for backup to keep extra stock fresh and clean. The merchandise should flow from the receivers, to the checkers, to the stock area, to the floor where it can be purchased.
2. Through discussion, the following questions should be answered:

   Why should a salesperson be responsible for the stock of a store? Develop with the students the need of a salesperson to be familiar with the merchandise of his or her department.
3. Discuss with the students the need to sell oldest merchandise first. Have the students develop a system of rotation for the

merchandise. Develop a system of marking the cartons as they arrive to insure that the older merchandise is put out on display first.

4. Develop a system of requisition slips to getmerchandise from the stock area. As merchandise is needed on the floor, it should be requisitioned from the stock areas.

SECTION V THE STORE

The student store is a creative use of all the previous sections of this course of study. As the students become more and more involved in the store, they will become more aware of the need for the knowledge gained throughout the course. The store will be the ultimate evaluation of the students.

During the time the store is open, all students will work on all phases of the store. The store is a cooperative venture for the students. Although profits will be small, the experience of operating a business will be invaluable. How much value the student will gain will depend on the amount of actual time the student spends working in the store.

Following this section is a partial listing of employment opportunities for the students. Some involve selling, while others are behind the scenes. All are necessary for a successful store.

UNIT THE STORE

Learner Objectives

To demonstrate knowledge of the actual operation of a small store.

To demonstrate knowledge of selling.

To demonstrate knowledge of "behind the scenes" operations.

To demonstrate knowledge of running the store and making a profit.

To consider types of careers in sales.

Suggested Content and Activities

1. The students will set up and operate the store. In the previous units the students havelearned the steps to follow. Each step is to be followed completely. The students have ordered the merchandise. They have checked the merchandise as it came in and priced each item. They have made displays and advertisements. They have made a floor plan of the store and arranged the merchandise. In previous units they have advertised the store, invited guests to open the store, and they have organized the running of the store. Now, following the opening, the students will begin running the store. Each student will alternate different positions in the store. They will all have time on the floor, handling merchandise, checking incoming merchandise and keeping the records.

2. When the store begins operation, there should be a student to handle each department in the store. The following departments are suggested:

   a. Stationery

   b. School supplies

   c. School clothing items (T-shirts, sweatshirts, etc.)

   d. Candy and snack items

Start small and as the store gets going, let the students expand their departments. Eventually the students may wish to add new departments and to vary their merchandise. Do so moderately. The students should expand their departments on a ten day cash discount basis for all merchandise. This way they can add another dimension to their business knowledge.

3. Following the first year of operating the store, the students will close the store. Send back all new merchandise ordered on consignment. Pack all merchandise the students have purchased for use the following year. The profit should be banked and used to help to begin operations the following year.

4. Have the students write to all companies that helped them get started. Include in the letter a statement of how the store was operated and the success the students had with their operation. This will be of help to the manufacturer in his public relations.

5. Finally, have the students evaluate their experience in selling.

   a. What have they learned?

   b. What was valuable to them?

   c. What knowledge will they be able to use?

   d. If they were to go into retailing, what field of retailing would they choose?

The evaluation should be brief, and in the students' own words.

PART C

REFERENCES

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Wingate, John W. Retail Merchandising. Smith Western Publishing Co., Cincinnati, Ohio. 1968.

AUDIO-VISUAL AIDS

Title	Publisher and Address
(Slides)	
Retail Revolution (Series 4)	Fairchild Publications East 12th Street New York, New York 10003
Shopping Centers (Series 2)	
Boutiques: Set I, The Fashion Scene	
Boutiques: Set II, The Merchandising Mix	
Boutiques: Small Shop, Big Impact	
Display Roundup (Series 7)	
New Store Directions	
Profile of a Modern Store	
Basic Rules of Selling	
(Audio Tape)	
Your Future in Selling	Harcourt, Brace and Jovanovich 757 Third Avenue New York, New York 10017

FILMS

Title	Publisher and Address
Fish Market	MacMillan Films Inc. 34 MacQuesten Parkway S. Mt. Vernon, New York 10550
Forty Years To Now	
The Salesman Isn't Dead, He's Different	
Changes in Wholesaling Structure and Performance	

FILMS (Continued)

Title	Publisher and Address
Is The Consumer King?	MacMillan Films Inc. 34 MacQuesten Parkway S. Mt. Vernon, New York 10550
Public Policy Affecting The Competitive Market System in the United States	
Dialogue on Retailing	
Responses of Selected Retail Institutions to Their Changing Environment	
Marketing As A Career with Emphasis on Advertising	
Just Sign Here	

YOUR CAREER IN RETAIL SELLING

Planning a Career

1. What tasks do you perform well and enjoy doing?
2. What salary do you expect?
3. What hours do you want to work?
4. What working conditions would you consider satisfactory?
5. What job stability do you require?
6. What recognition do you wish?
7. How much training will you need and get?
8. What are your opportunities for advancement?

Types of Retail Selling Positions

1. Junior non-executive
2. Senior non-executive
3. Junior executive
4. Senior executive

Junior Non-executive

inspector

wrapper

stock boy

order filler

messenger

marker

floor cashier

Junior Non-executive (continued)

mail order clerk

clerical worker

driver's helper

Senior Non-executive--Extras and Regulars

head of stock

secretary

adjustment clerk

tracer

bookkeeper

deliveryman

receiving clerk

merchandise checker

comparison shopper

salesperson

Junior Executive

assistant buyer

section manager

assistant store manager

department manager

Senior Executive

buyers

heads of non-selling departments

Senior Executive (continued)

managers of branch stores

supervisors

heads of the firm

WORKSHEETS AND FORMS

DEPARTMENT MANAGER'S INVENTORY CHECKLIST

1. Arrange stock in all locations in as orderly a manner as possible.
2. Prepare a Floor Plan of stock locations.
3. Distribute Inventory Sheets in a uniform manner. Use the yellow Distribution Chart to show sheet locations and retain these charts for two weeks after the Inventory.

(Cover items 4 through 15 in a meeting with those people who will take your Inventory.)

4. Legible handwriting is most important. Make sure that all of your teams are informed of this and then check on them immediately after they begin listing to see that they are following your instructions.
5. The following blocksin the upper right of each Inventory Sheet used must be filled in legibly: Building, Floor, Container or Fixture, Called By, Listed By and Date of Inventory.
6. In the lower right-hand corner of each Inventory Sheet used the Parent Department Number must be entered. In the BranchStores the Store Number precedes the Parent Department Number.
7. Columns used in the listing of Inventory:
   a) Class --The classification number (a single digit, 1 through 9 only) should be shown for each item in those departments where Inventory is taken by class.
   b) Description --A brief but sufficient description which will identify the merchandise to checkers. Ditto marks may be used in this column.

c) Checker --This column must remain blank until a Firm's Representative issues instructions to begin the checking application.

d) Quantity --This is the MOST IMPORTANT column on Inventory day. Numbers are the only things to be entered in this column. Do not use descriptions such as lb., ea., box, etc.

e) Deduction --This column is used to indicate items sold between the time of listing and Store closing on the date of Inventory. A stroke mark is used in this column to indicate each item sold.

f) Net Quantity --This column will remain blank until the Firm's Representative has issued instructions for the checking application on the day or night of Inventory.

g) Season Letter--The correct season letter should be shown for each item listed.

h) Retail Price Per Unit--This should be in the same terms as the quantity and there should be nothing except numbers in this column. Do not write descriptions lb., $, box, etc.

8. If items are sold at a multiple price in your department (three for a dollar, etc.) then the total quantity of the items should appear in each quantity column and the multiple price should be shown in the retail price per unit column. Example: Total quantity of 13 units which sell at 55¢ each or two for a dollar would be listed as 13 in the quantity column and 2/1.00 in the retail price per unit.

9. Do not skip lines on Inventory Sheets.

10. Do not erase -- line out and rewrite.

11. There must not be any marks of any kind in the "Extension By Season Letter" Columsn nor in the "Cash Total" block at the bottom of the Inventory Sheet.

12. The blocks at the top of the sheet labeled Recounted By and Checked By should be used as follows: If you have time between listing and the time the firm's Representative is in your area you should recount your merchandise. The person who does so will sign the Recounted By block in black pencil The Checked By block will be signed in blue or green pencil only after a Firm's Representative has issued checking instructions in your area.

13. The Inventory must be listed in black pencil only.

14. Have your teams read and follow instructions in the upper left-hand portion of each Inventory Sheet.

15. WHEN IN DOUBT, ASK QUESTIONS.

16. On the day of Inventory:

    a) Ascertain that all merchandise in the Receiving Area which should be included in your Inventory is in fact included.

    b) Tour all store areas to look for stray merchandise (Marshall-in areas, Display and Advertising Rooms, Security, etc.).

    c) Account for all merchandise on Memo Loan or on Display.

    d) Check your own office for merchandise.

17. Because Special Inventory Books will be maintained by the Philadelphia Department Managers only, the information regarding all sales-checks which have been rung but have not been filled due to the merchandise being in another location must be phoned in to the Philadelphia Department Manager's Office.

If one store is holding merchandise awaiting a saleschеck from another store, the store holding that merchandise will list it on the regular Inventory Sheets. No saleschecks will be sent between stores on the day of Inventory.

18. The cut-off date for Receiving, Transfers between Stores and Returns-to-Vendors will be at the close of business on the Friday before the scheduled date of Inventory. There is no cut-off however, for Sales, Customer Credits, Price Changes and transfers of merchandise from one Parent Department to another.

INVENTORY CHECK LIST

Have a meeting with those persons who will take your inventory.

1. Arrange stock in as orderly a manner as possible.
2. Prepare a floor plan of the department.
3. Distribute sheets in a uniform manner; use the distribution charts and retain them for one week afterinventory.
4. Stress legible handwriting and then check on your teams immediately after they begin listing.
5. The following blocks at the top of each inventory sheets must be filled in legibly: Building, Fixture, Container, Floor, Called By, Listed By, Date of Inventory.
6. Columns usedin listing of inventory:
   a) Class — Classification should be shown for each item and ditto marks may be used. Note: some departments do not take inventory by class.
   b) Description — Brief but sufficient description should be written in this column to identify the merchandise to checkers. Ditto marks may be used.
   c) Checker — Should remain blank at the time the merchandise is listed.
   d) Season Letter — Should be shown for each item and ditto marks may be used.
) Quantity — This is the MOST IMPORTANT columnon inventory day! There should be nothing except numbers in this column. Do <u>not</u> use descriptions such as lb., ea., box, year, etc.

f) Deduct Sold--This column should be used to indicate articles sold between the time of listing and store closing on the day of inventory. There should be one stroke in this column for each article sold.

g) Net Count This column should not beused until a firm representative is in your area on the night of theinventory.

h) Retail price per Unit--This should be in the same term as quantity and again there should be nothing except numbers in this column. Do not use descriptions such as lb., $, box, etc. If the quantity is in pounds, the pricing should be in pounds, etc.

7. For multiple price items the total quantity should appear in the quantity column and the multiple pricing should show in the retail price per unit column, i.e., 13 units on hand selling at 55¢ or 2 for $1.00 would show 13 in the quantity column and 2/$1.00 in the retail price per unit column.
8. Do not skip lines on inventory sheets.
9. Do not erase--line out and rewrite.
10. In the lower right corner of each sheet the department number must appear on each side of the perforation mark.
11. There should not be marks of any mind in the blocks titled First Extension by and Second Extension by nor in the columns (2) titled for office use only.
12. The blocks at the top of the sheet titled Recounted By and Checked By should be used as follows:

If you have time between listing and the time a firm representative is in your area to recount your merchandise, do so, and have the person or persons who recount sign these blocks in black pencil. The official check of your inventory will not begin until a firm representative is in your area, and blue and green pencils will not be used until that time.

13. When in doubt, ask questions.

14. On the day of the inventory:

    a) Ascertain that all merchandise in the receiving area which should be included in your inventory is in fact included.

    b) Tour the store to look for stray merchandise.

    c) Clean advertising room of merchandise.

    d) Inquire if protection has any of your goods.

    e) Account for all articles on Memo Loan or on display.

    f) Check your office for merchandise.

15. Record of Unfilled Saleschecks:

    For all merchandise on hand for which a sale has been rung, the merchandise should be physically separated from all other stock and should not be listed, nor should the salescheck be listed on the pink sheet.

    If one store is holding merchandise, awaiting a salescheck from another store, the store holding the merchandise will list it on regular inventory sheets. No saleschecks will be sent between stores on the day of inventory, and will be listed on pink sheets by the store holding them.

INSTRUCTIONS - REGULAR INVENTORY BOOKS - BRANCH STORES

DON'T GUESS; ASK QUESTIONS

1. Total planned inventory sheets for each Branch Store departmental grouping are issued in one bulk quantity along with inventory book covers.
2. Department Managers should make up inventory books of not more than 50 sheets.* Building location must be labeled on each book cover accordingly! e.g., Ardmore, Jenkintown, Wilmington, etc.
3. Inventory sheets must be used in numerical order. Be sure to allow an ample number of sheets for each location when requisitioning.
4. Each listing sheet and cover used must be filled out completely as called for.
5. Do not date or mark department #, etc., on any more sheets or covers than will actually be used. Date, Department #, Building Location, etc. should be inserted in advance only on those sheets and covers that are certain to be used.
6. All sheets issued and recorded on Departmental Inventory Plans MUST be accounted for on the day of inventory.
7. The number of sheets in each book (not more than 50*) must be recorded in the designated area of each inventory book cover as in the example shown below:

Number of Regular Sheets in This Folder	
USED	_____
BLANK	_____
TOTAL	_____

*Unless Last (or only book used) would have no more than 60. Any excess greater than 10 sheets must go in separate cover and only one (the last) book may have as many as 60 sheets.

CONDITIONS

It is further understood and agreed:

The order on the reverse side hereof is subject to the following terms and conditions which have been mutually agreed upon:

1. Purchase agrees to pay the balance on the terms specified and accept delivery of the car within forty-eight hours after he has been notified that it is ready. If purchaser fails to take delivery of the car when notified, his deposit may be retained as liquidated damages for expenses and efforts in the matter and dealer may dispose of the car without any liability to purchaser whatever.

2. Upon the failure or refusal of the purchaser to complete said purchase for any reason the cash deposit may be retained as liquidated damages, and in the event a used vehicle has been taken in trade the purchaser hereby authorizes dealer to sell said used car, and the dealer shall be entitled to reimburse himself out of the proceeds of such sale for the following expenses: a selling commission of 15%, and any expenses incurred in storing, insuring, conditioning or advertising said car for sale and also for his expenses and losses incurred or suffered as the result of purchasers failure to complete said purchase. If the used vehicle is not delivered to the dealer until such time as the purchaser accepts delivery of the new car, it is agreed that the used vehicle will be subject to re-appraisal and that your appraisal at the time of delivery is to be the allowance for purchaser's used vehicle.

3. It is expressly agreed that the purchaser acquires no right, title or interest in or to the property which he agrees to purchase hereunder until such property is delivered to him and either the full

purchase price is paid in cash or a satisfactory deferred payment agreement is executed by the parties hereto, the terms of which shall thereafter be controlling.

4. The price quoted is for immediate delivery, but if the price of either car or accessories should be changed by the manufacturer before the car is assigned to the purchaser, this order shall be contrued as if the changed price was originally inserted herein or shall be annulled at the purchaser's option.

5. Dealer shall not be liable for delays caused by the manufacturer, accidents, strikes, fires or other causes beyond the control of the dealer.

6. The price of the car quoted herein does not include any tax or taxes imposed by any governmental authority prior to or at the time of delivery of such car unless expressly so stated, but the purchaser assumes and agrees to pay, unless prohibited by law, any taxes, except income taxes, imposed on or incidental to the transaction herein,

7. The purchaser agrees to deliver the original bill of sale and title to any used vehicle traded herein along with the delivery of such vehicle, and the purchaser warrants such used vehicle to be his property, free and clear of all liens and encumbrances except as otherwise noted herein.

8. It is understood that there is no relationship of principal and agent between the dealer and the manufacturer and that the dealer is not authorized to act, or attempt to act, or represent himself, directly or by implication, as agent of the manufacturer, or in any manner assume or create, or attempt to assume or create any obligation

on behalf of or in the name of the manufacturer. There are No Warranties, express or implied, made by the selling dealer of the manufacturer on the new vehicle described on the front of this order, except the most recent printed Ford Motor Company warranty or warranties applicable to such new vehicle which are made a part of this order as of here set forth in full. A copy of such Ford Motor Company warranty or warranties will be furnished to the purchaser upon delivery of the vehicle and shall be expressly in lieu of any other express of implied warranty, condition or guarantee on the new vehicle or any part thereof, including any implied Warranty of Merchantability of Fitness and of any other obligation on the part of Ford Motor Company or the Selling Dealer.

INVENTORY FLOOR PLAN

Submitted by _____ Date _____

Approved by _____ Dept. No. ___

Forward Stock ☐ Reserve Stock ☐ Warehouse Stock ☐

Show Compass Direction Above

116

F 598

DEPT._____ PERIOD_____

GROSS SALES

REMARKS	DATE	DAILY 1969	1970	1971	1972	1973	1974	ACCUMULATED 1969	1970	1971	1972	1973	1974
	MON.												
	TUES.												
	WED.												
	THUR.												
	FRI.												
	SAT.												
	TOTAL												
	MON.												
	TUES.												
	WED.												
	THUR.												
	FRI.												
	SAT.												
	TOTAL												
	MON.												
	TUES.												
	WED.												
	THUR.												
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	SAT.												
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	THUR.												
	FRI.												
	SAT.												
	TOTAL												
	MON.												
	TUES.												
	WED.												
	THUR.												
	FRI.												
	SAT.												
	TOTAL												
	TOTAL PERIOD												

F478-1

INVENTORY SHEET

DISTRIBUTION CHART

DEPT. NO._____

SHEET NO.	LOCATION		SHEET NO.	LOCATION		SHEET NO.	LOCATION		SHEET NO.	LOCATION	
	FIXTURE	SHELF		FIXTURE	SHELF		FIXTURE	SHELF		FIXTURE	SHELF
01			26			51			76		
02			27			52			77		
03			28			53			78		
04			29			54			79		
05			30			55			80		
06			31			56			81		
07			32			57			82		
08			33			58			83		
09			34			59			84		
10			35			60			85		
11			36			61			86		
12			37			62			87		
13			38			63			88		
14			39			64			89		
15			40			65			90		
16			41			66			91		
17			42			67			92		
18			43			68			93		
19			44			69			94		
20			45			70			95		
21			46			71			96		
22			47			72			97		
23			48			73			98		
24			49			74			99		
25			50			75			100		

CUSTOMER'S APPRAISAL OF SELLING SERVICE

_____ STORE

Sales Associate's Name _____ Sales No. _____

Dept. No. _____ Dept. Name _____ Floor _____ Mdse. Div. _____

Customer's No. _____ Date _____ Day of Week _____ Time _____ Total Score _____

Associate's Signature _____ Dept. Mgr's. Signature _____

FOR CUSTOMER'S USE ONLY	COMMENTS

APPROACH:

1. How soon were you approached? _____

   If not promptly, indicate the reason:

   A. Sales Associate busy with customer

      1. but did acknowledge my presence ☐

      2. did not acknowledge my presence ☐

   B. Sales Associates talking together ☐

   C. Sales Associates fixing stock or other work ☐

   D. Other _____

   _____

2. A. State exactly how the Sales Associate greeted you and what she said:

   _____

   B. State what you asked to see:

   _____

3. Check the manner in which the Sales Associate acknowledged your presence:

   A. Courteously ☐

   B. Friendly ☐

   C. Indifferent ☐

   D. Other ☐

   Explain _____

   _____

4. If you were "just looking" did the Sales Associate:

   A. Encourage you to look? ☐

   B. Re-approach you? ☐

      1. How soon? _____

      2. What did she say in Re-approaching you? _____

      _____

FOR CUSTOMER'S USE ONLY	COMMENTS
PRESENTATION AND DEMONSTRATION:	
5. Did the Sales Associate have what you asked to see? Yes ☐ No ☐	
If not, did Sales Associate suggest a substitute? Yes ☐ No ☐	
6. If merchandise not available, did Sales Associate offer to call another Branch or Special Order the merchandise? Yes ☐ No ☐	
7. Did the Sales Associate answer your questions satisfactorily? Yes ☐ No ☐	
8. Did the Sales Associate give you a choice of merchandise? Yes ☐ No ☐	
If not, why not? _____	
_____	
9. Did the Sales Associate have good knowledge of her merchandise and its location in department? Yes ☐ No ☐	
10. Did the Sales Associate volunteer helpful merchandise information? Yes ☐ No ☐	
SELLING ADDITIONAL MERCHANDISE	
11. Did the Sales Associate suggest:	
A. Other Merchandise Yes ☐ No ☐	
B. Larger Quantity Yes ☐ No ☐	
C. Higher Quality Yes ☐ No ☐	
D. Advertised Special Yes ☐ No ☐	
E. Related Items Yes ☐ No ☐	
F. Another Department in Store Yes ☐ No ☐	
How _____	
What _____	

FOR CUSTOMER'S USE ONLY	COMMENTS
CLOSING THE SALE: 12. Did the Sales Associate A. Narrow the choice of merchandise? Yes ☐ No ☐ B. Ask if she could charge this to your Account? Yes ☐ No ☐ C. Ask if you would like to take it with you? (or assume "take-with") Yes ☐ No ☐ 13. Did the Sales Associate use the "Courtesy Closing" "Thank you, come back and see us again, won't you? Yes ☐ No ☐ 14. Was the salescheck system properly followed through in you opinion? Yes ☐ No ☐	
IF YOU DID NOT PURCHASE: 15. Did the Sales Associate: A. Thank you and invite you back or show willingness to help you again? Yes ☐ No ☐ B. Make you feel UNcomfortable? Yes ☐ No ☐ If YES, explain _____	
APPEARANCE: 16. Was the Sales Associate: A. Well groomed and business-like in dress? Yes ☐ No ☐ B. Wearing name emblem? Yes ☐ No ☐ C. Chewing gum or other unbusiness-like habit? Yes ☐ No ☐ If NO to A and B, or YES to C, explain _____	

As a customer, I consider this Sales Associate's service to me at this time:

TOPS ☐ VERY GOOD ☐ GOOD ☐ FAIR ☐ POOR ☐

Customer's specific comments, quotations, descriptions or any other information that might be helpful to the Training Department in grading this report:

DESCRIPTION OF SALES ASSOCIATE
(If not identified by name or number)

Man or Woman

Approximate age ____ Height ____ Build ____

Color and Style of Hair

Glasses – style

Wearing apparel

Comments

FOR OFFICE USE ONLY

Divisional Merchandise Manager ____ Date ____
(Signature required only if rating is Outstanding or Poor)

Service Manager ____ Date ____

Divisional Service Manager ____ Date ____

Personnel Representative ____ Date ____
(Signature required only for unfavorable reports)

Training Representative ____ Date ____

DEPT._____ BOOK_____ PAGE_____

MASTER CONTROL RECORD

PERIOD_____ YR._____

	P		A		J		W		CH		S		PL		N		E		DC	
	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O	OH	T/O
1																				
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PHYSICAL INVENTORY LISTING SHEET

BUILDING	FLOOR	DATE OF INVENTORY	
FIXTURE	CALLED BY:	RECOUNTED BY:	FIRST EXTENSION BY:
CONTAINER	LISTED BY:	CHECKED BY:	SECOND EXTENSION BY:

CLASS #	DESCRIPTION	CHECKER ✓	SEASON LETTER	QUANTITY	DEDUCT SOLD	NET COUNT	RETAIL PRICE PER UNIT

Extension By Classification						
#	Dollars					Cents
0						
1						
2						
3						
4						
5						
6						
7						
8						
9						
Tot						

BUDGET OF DEPARTMENTAL SELLING AND STOCK HELP

Selling Cost Plan		T.Y. Goal	L.Y. Act.
Selling Cost %			
Per Capita	this mo.		
Daily Sales	this wk.		

DEPARTMENT _____ WEEK BEGINNING _____

		SHIFT	SALES PEOPLE: REGULAR F.T.	REGULAR P.T.	EXTRA F.T.	EXTRA P.T.	CLERK DAYS	TOTAL TRANS	GROSS SALES	PER CAPITA TRANS	PER CAPITA SALES	STOCK PEOPLE REG.	STOCK PEOPLE EX.	SPECIAL EVENTS
MON.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
TUES.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
WED.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
THURS.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
FRI.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
SAT.	ACT. L.Y.	EARLY												
		LATE												
	PLAN. T.Y.	EARLY												
		LATE												
	ACT. T.Y.	EARLY												
		LATE												
WEEK	ACT. L.Y.													
	PLAN. T.Y.													
	ACT. T.Y.													

REGULARS F.T. Includes those registered as regulars scheduled to work full days. They may be on a three, four or five day basis.

REGULARS P.T. Includes those registered as regulars scheduled to work four or five hours daily.

CONTINGENT F.T. Salespeople on call who are scheduled to work a full day. Not to exceed 7 hours a day.

CONTINGENT P.T. Salespeople on call who are scheduled to work four or five hours of a day.

CLERK DAYS Computed by counting each full time person as one clerk day and each part-time person as one-half clerk day.

Signed _____ Department Manager

Approved _____ Divisional Manager

WORKING DAY	MONDAY			TUESDAY			WEDNESDAY			THURSDAY			FRIDAY			SATURDAY		
GROUP	FT	PTR	CONT	FT	PTR	CONT	FT	PTR	CONT	FT	PTR	CONT	FT	PTR	CONT	FT	PTR	CONT
DAY																		
NIGHT																		

NAME	GROUP CODE*	FT HOURS	PT HOURS	FT HOURS	PT HOURS	FT HOURS	PT HOURS	FT HOURS	PT HOURS	FT HOURS	PT HOURS	FT HOURS	PT HOURS
DEPT. MGR.													
ASST./HD. STK.													

* **GROUP CODES:** FDR (Full Day Regular), PTR (Part Time Regular), PTC (Part Time Contingent), NR (Night Regular), NC (Night Contingent)

INSTRUCTIONS

1. Enter totals of Full Time, Part Time Regular, and Contingents at top of sheet.
2. Total Clerk Days (names listed) must agree with Total Clerk Days requisitioned on reverse side.

NEW CAR SALES ORDER

Sold to _____ Order Date _____ Dlvy Date _____

Address _____ Date _____ R F

City, State _____ Zip Code _____ Invoice No. _____ S O

Telephone Number _____ Salesman _____

Year	Make	Model and Body Style	Color	Serial Number	Stock No.

W. C. No. _____ Keys FA _____ Trim _____

If App. _____ FB _____ Top _____

Equipment:

Spec. Eng.		Undercoat	
Cruso			
WSW			
P. Steering			
P. Brakes			
Air Cond			
Radio – AM			
AM – FM			
Tinted Glass			

TRADE IN:

Year	Make	Model and Body Style	Color	Serial No.

Equipment:

Engine	P/B		
Radio	P/W	Allowance	
Auto	V/T	O/A	
P/S	A/C	A.P	
Other		Approval	

Odometer Reading _____

Verified _____

(Trading Customer's Signature)

Price of Vehicle	$
Other	
TOTAL CASH PRICE	$
Less Trade In	
Net Cash Differ.	
Sales Tax	
License Fees	
Documentary Fees	
Payoff (if any)	
TOTAL DUE RICE & HOLMAN	$

SETTLEMENT

Deposit	#	
	#	
COD	#	
	#	
TOTAL PAYMENT		$

Location of Title: Attached

Lost Title Form Payoff

Payoff Balance Due on Trade—if any

Lienholder _____

Address _____

Amount $ _____ Good Until _____

Date _____ Ck. _____ By _____

Purchaser agrees that this order includes all of the terms and conditions on both the face and reverse side hereof, that this order cancels and supersedes any prior agreement and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the subject matters covered hereby, and that THIS ORDER SHALL NOT BECOME BINDING UNTIL ACCEPTED BY DEALER OR HIS AUTHORIZED SALES MANAGER AND IN THE EVENT OF A TIME SALE, DEALER SHALL NOT BE OBLIGATED TO SELL UNTIL APPROVAL IS GIVEN BY A BANK OR FINANCE COMPANY WILLING TO PURCHASE A RETAIL INSTALLMENT CONTRACT BETWEEN THE PARTIES HEREIN.

Purchaser by his execution of this order certifies that he is 18 years of age or older and acknowledges that he has read its terms and conditions and has received a true copy of this order.

Accepted for Rice & Holman by: _____ Buyer Signs X _____

INSIST ON A COPY OF THIS ORDER AND A SEPARATE RECEIPT FOR ANY PAYMENT

CONDITIONS

It is further understood and agreed:

The order on the reverse side hereof is subject to the following terms and conditions which have been mutually agreed upon:

1. Purchaser agrees to pay the balance on the terms specified and accept delivery of the car within forty-eight hours after he has been notified that it is ready. If purchaser fails to take delivery of the car when notified, his deposit may be retained as liquidated damages for expenses and efforts in the matter and dealer may dispose of the car without any liability to purchaser whatever.

2. Upon the failure or refusal of the purchaser to complete said purchase for any reason the cash deposit may be retained as liquidated damages, and in the event a used vehicle has been taken in trade, the purchaser hereby authorizes dealer to sell said used car, and the dealer shall be entitled to reimburse himself out of the proceeds of such sale for the following expenses: a selling commission of 15%, and any expenses incurred in storing, insuring, conditioning or advertising said car for sale and also for his expenses and losses incurred or suffered as the result of purchasers failure to complete said purchase. If the used vehicle is not delivered to the dealer until such time as the purchaser accepts delivery of the new car, it is agreed that the used vehicle will be subject to re-appraisal and that your appraisal at the time of delivery is to be the allowance for purchaser's used vehicle.

3. It is expressly agreed that the purchaser acquires no right, title or interest in or to the property which he agrees to purchase hereunder until such property is delivered to him and either the full purchase price is paid in cash or a satisfactory deferred payment agreement is executed by the parties hereto, the terms of which shall thereafter be controlling.

4. The price quoted is for immediate delivery, but if the price of either car or accessories should be changed by the manufacturer before the car is assigned to the purchaser, this order shall be construed as if the changed price was originally inserted herein or shall be annulled at the purchaser's option.

5. Dealer shall not be liable for delays caused by the manufacturer, accidents, strikes, fires or other causes beyond the control of the dealer.

6. The price of the car quoted herein does not include any tax or taxes imposed by any governmental authority prior to or at the time of delivery of such car unless expressly so stated, but the purchaser assumes and agrees to pay, unless prohibited by law, any taxes, except income taxes, imposed on or incidental to the transaction herein, regardless of the person having the primary tax liability.

7. The purchaser agrees to deliver the original bill of sale and title to any used vehicle traded herein along with the delivery of such vehicle, and the purchaser warrants such used vehicle to be his property, free and clear of all liens and encumbrances except as otherwise noted herein.

8. It is understood that there is no relationship of principal and agent between the dealer and the manufacturer and that the dealer is not authorized to act, or attempt to act, or represent himself, directly or by implication, as agent of the manufacturer, or in any manner assume or create, or attempt to assume or create any obligation on behalf of or in the name of the manufacturer. There are No Warranties, express or implied, made by the selling dealer of the manufacturer on the new vehicle described on the front of this order, except the most recent printed Ford Motor Company warranty or warranties applicable to such new vehicle which are made a part of this order as of here set forth in full. A copy of such Ford Motor Company warranty or warranties will be furnished to the purchaser upon delivery of the vehicle and shall be expressly in lieu of any other express or implied warranty, condition or guarantee on the new vehicle or any part thereof, including any implied Warranty of Merchantability or Fitness and of any other obligation on the part of Ford Motor Company or the Selling Dealer.